



CITY OF HENDERSONVILLE AGENDA ITEM SUMMARY

SUBMITTER: Angela Beeker, City Attorney **MEETING DATE:** November 5, 2026
AGENDA SECTION: PUBLIC HEARINGS **DEPARTMENT:** Legal Department
TITLE OF ITEM: Public Hearing to Consider the Submission of a CDBG Application, Economic Development, for the Howard Gap Road Water Improvements to support Project Vert – *Angela S. Beeker, City Attorney/Adam Steurer, Utilities Director*

SUGGESTED MOTION(S):

I move that the City Council adopt the ***Resolution By The City Of Hendersonville City Council To Apply For Community Development Block Grant Funding For The Water System Resiliency Looping - Howard Gap Road Water Project*** as presented. I further move the adoption of the Assessment Policy as presented.

SUMMARY:

The purpose of the public hearing is to consider the submission of a Community Development Block Grant Application for the Howard Gap Road Water Improvements to support the expansion of the BorgWarner Inc. facility in Henderson County, also known as Project Vert. A public hearing is required to allow comment on the draft application prior to submittal.

The grant, an Economic Development Grant (CDBG-ED), is offered through the North Carolina Rural Economic Development Division of the Department of Commerce (REDD), and would be the extension and looping of approximately 20,000 linear feet of 12-inch water main along Howard Gap Road, from Sugarloaf Road to Upward Road, to both support Project Vert and increase water service and reliability generally. The improvements will create water system redundancies, increase water pressure, and fire flow capacity.

Project Vert would result in the creation of 378 new jobs over a three-year period paying an average annual wage of \$67,047.00. The total estimated cost of all activities included in the CDBG grant application is \$7,165,000.00. The funding request for the CDBG-ED grant application is \$1,862,000.00 which represents 26 percent of the total cost of the improvements. The remainder of the improvements would be supported by Drinking Water State Revolving Funds and Golden Leaf grant funds.

The public is invited to the November 5, 2026 meeting to comment on the draft application.

After this second public hearing, and if the City Council votes to proceed with the grant application, the City and the Henderson County Partnership for Economic Development will finalize the application for submission to REDD for consideration.

The City is also required to adopt an assessment policy for future users of the project. The policy as proposed is \$0.00 assessment to be charged. City Council is requested to approve this assessment policy.

ATTACHMENTS:

Resolution

Notice of Public Hearing

CDBG-ED Pre-Application Form

Assessment Policy